



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

**Board of Directors
Strategic Management Committee**

Tuesday, December 6, 2022
9:30 a.m.

Microsoft Teams Meeting
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Meeting ID: 296 148 484 898

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Phone Conference ID: 416 730 557#

AGENDA

1. Call to Order..... Tommy Wells, Chairperson
2. Roll Call..... Alfonzo Kilgore Stukes, Acting Board Secretary
3. **Strategic Management Presentation**Wayne Griffith, Chief Strategy & Performance Officer
Matt Ries, Director, Strategic Leadership & Sustainability
 - a. **Context and Purpose of Strategic Management Committee**
 - b. **Strategic Management Function at DC Water**
 - c. **Strategic Management Reporting**
4. Executive Session* Tommy Wells, Chairperson
5. Adjournment Tommy Wells, Chairperson

1The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2-575(b)(12); adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14); and other matters provided under the Act.

Context and Purpose of Strategic Management Committee



Wayne Griffith
Chief Strategy & Performance Officer

Background

Problem

Historically, the Board of Directors had a **Strategic Planning Committee** which was a **committee of the whole** and has provided input during periodic strategic planning and, in more recent years, received quarterly briefings on progress on the Strategic Programs of the Blueprint, the previous strategic plan. DC Water completed the strategic planning for the current strategic plan, Blueprint 2.0, in FY21, launching the new plan in FY22. **The Strategic Planning Committee had been dormant for several years** due to the strategic planning phase of work, COVID disruptions, and the intention of using the Joint Board Meeting as the venue to advance strategy. DC Water is now in a 5-year **Strategic Management** phase where Board of Directors desire engagement in early-stage strategic issues and receive periodic updates on advancing the strategic goals.

Solution

Feedback received at the July 2022 Joint Board meeting confirmed staff's recommendation to **shift the focus** of the Committee **from Strategic Planning to Strategic Management**. Board input also confirmed a recommendation to decrease the committee size from a committee of the whole to a smaller, approximately 9-to-10-member committee. This committee would **meet bi-annually**, after the FYQ2 close and after the FYQ4 close when it would **receive an annual report on strategic progress**. Additionally, the realigned committee could serve as the primary venue to **receive and provide input on early-stage, strategic issues**.

Benefits

- Smaller, more nimble committee
- Bi-annual cadence appropriate for level and urgency of committee topics
- Timing of meeting synchronized with staff
- quarterly "Stat" (status) meetings on strategic progress
- Reflects current state of strategic management at DC Water
- Provides structured forum for discussion of early-stage strategic issues

Resolution

- Strategic Planning Committee Recommended by Governance Committee in September 2022
- By-laws amended via Board approval in October 2022 to form Strategic Management Committee

Sept. 13, 2022 Governance Committee Action Item:

- § 5.01 (a)(viii) shall be amended to read:

(viii) Strategic ~~Planning-Management~~ Committee: Shall ~~be composed of all Board members and shall~~ make recommendations to the Board regarding ~~actions required of or desired by the Board of Directors with respect to: early-stage strategic matters requiring input and/or oversight and the advancement of strategic goals. both long and short term strategic planning.~~



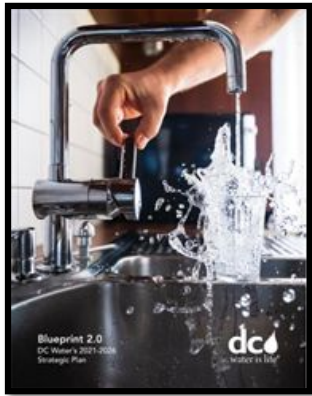
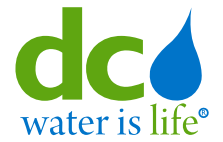
Strategic Management Function at DC Water

Matt Ries, PhD, PE
Director, Strategic Leadership and Sustainability

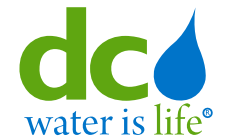
Organizational Imperatives



Structure of Blueprint 2.0



Structure of Blueprint 2.0



Lisa Stone
EVP People & Talent



Kishia Powell
COO & EVP



Organizational Imperatives

Strategic Themes

Goals

Ongoing Activities

Programs of Work

Operationalizing the strategy



Marc Battle
EVP Legal Affairs



Matt Brown
CFO & EVP

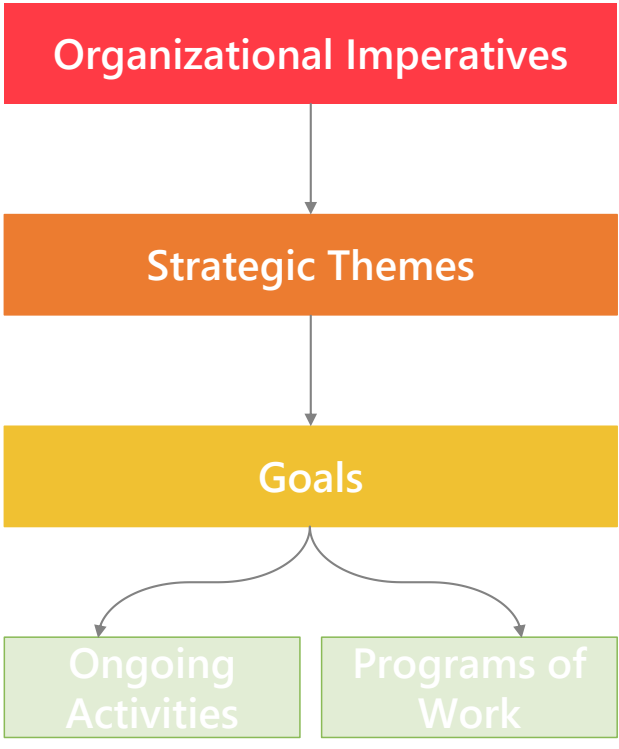
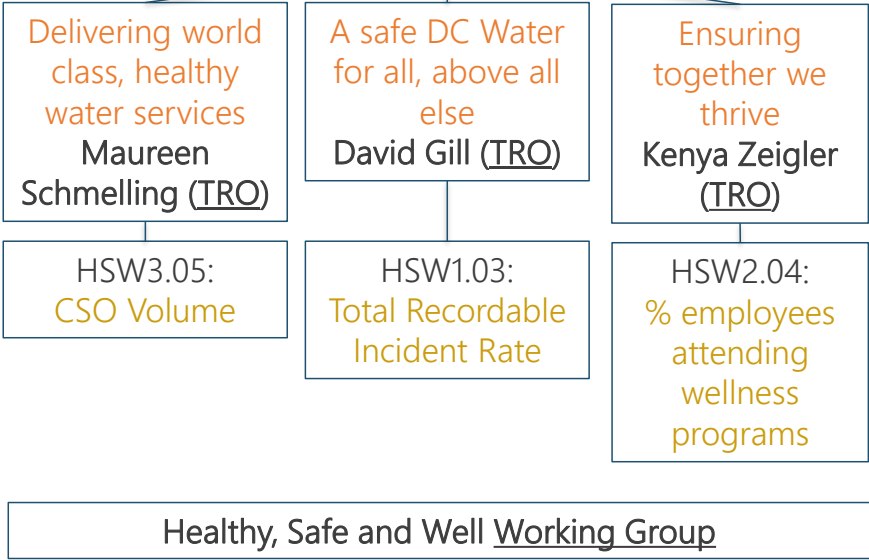


Kirsten Williams
Chief Comms and Stakeholder Engagement & EVP

Structure of Blueprint 2.0



Lisa Stone - *EVP People & Talent (IAO)*



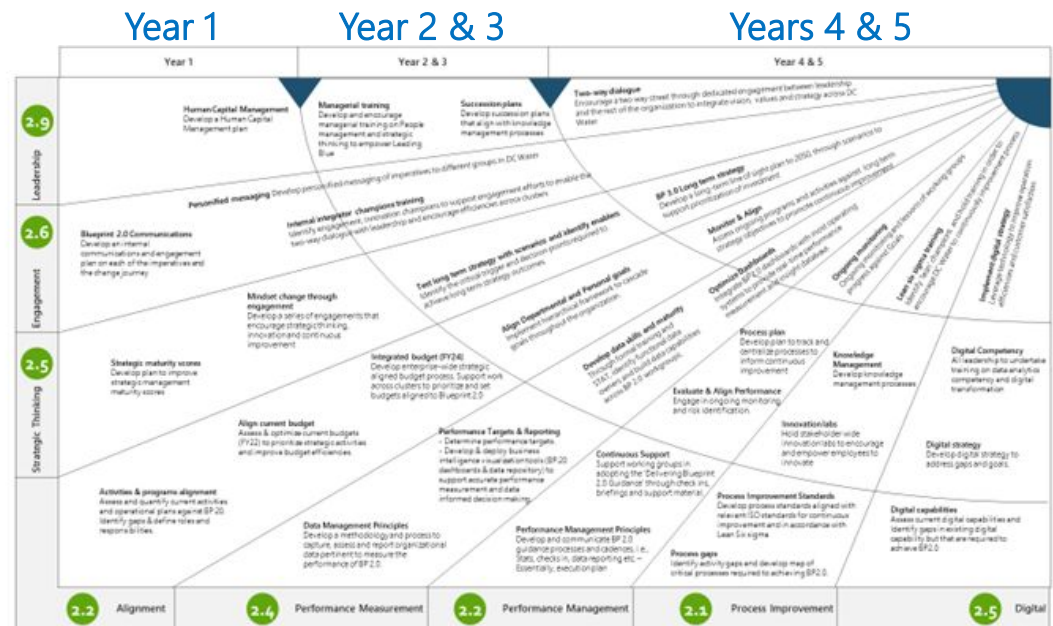
Strategic Management Maturity (SMM) at DC Water



8 Dimensions of SMM and FY22 Scoring (1 to 5)

Leadership	2.9
Engagement	2.6
Strategic Thinking	2.5
Alignment	2.2
Performance Management	2.2
Performance Measurement	2.2
Process Improvement	2.1
Digital	2.5

- 8 dimensions of SMM
- 34 initiatives



Blueprint 2.0 Year 1 Timeline (FY22-23)



- ◆ BP2.0 Launch
- ◆ Strategy Palooza
- ◆ Strategic Management Maturity Assessment

◆ Workstreams Finalized

BP2.0 Mobilization

◆ Added Director and Project Manager for Strategic Management

Strategic Management Audit

High risk audit finding re: goal data process, completeness, & accuracy

Workstream prioritization

Budget alignment

The strategy has already been used as a source of information to support decision making regarding budget requests. This will continue in future years.

◆ **Stat 1** ◆ **Stat 2** ◆ **Stat 3** ◆ **Stat 4**

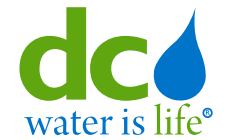
The stat meetings provide the regular drum beat for strategic management and provide a forum to discuss progress and any blockers to progress where they exist.

◆ **Senior Leadership Retreat** ◆ **Employee Townhall Meeting** ◆ **Frontline leadership retreat** ◆ **Finance & Budget retreat**

Opportunities to socialize Blueprint 2.0 beyond the IAOs, TROs, and Working Group members

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Board Engagement in Strategic Discussions (FY22-23)



◆ Joint Board Meeting

- Infrastructure Funding
- Labor / Staff Relations

◆ Joint Board Meeting

- Strategic Imperatives Review
- Rate Strategy
- Board Engagement Survey Results

◆ Joint Board Meeting

- Strategic Engagement Review
- Business Development / Innovation

◆ Joint Board Meeting

- Emergency Response
- Strategic Drivers of Change

Strategic Management Committee ◆



Strategic Management Reporting

Matt Ries, PhD, PE
Director, Strategic Leadership and Sustainability

Data Integration, Dashboarding, and Use



1. Data Integration and Dashboarding (in development)

Ensures transparency of progress in implementing BP2.0. Data integration links directly to source data for KPIs that are tracked in existing systems. Our dashboards will present the information to show progress against goals.

2. Data use (audience)

- Internal Status (STAT) meetings
- Board of Directors / Strategic Management Committee
- Annual DC Council Oversight Hearing



Strategic Management Reporting Data Procedures & QA/QC: Audit Finding



Observation 1: Missing, Incomplete, or Outdated Data

Risk Rating: High

Observation: There is no established process to validate or review the completeness and accuracy of the data used to measure the progress of goal metrics. There is no "as of" field captured for each goal within the goal master list to easily monitor timeliness of "current score" updates, and there are no documented procedures or requirement to notify the TROs (and, if necessary, escalate to the IAOs) when the goal master list is not updated according to the established frequency.

During our testing of goal metrics, we identified 11 out of 20 samples tested where data was missing, incomplete, or outdated. Through follow-up discussion, it was noted that there is an expectation in place that the TROs validate the data prior to upload. However, at present there is no process in place for verifying that the data validation was completed in each instance.

Root Cause Analysis: This is a new process for the Strategy & Performance Team that is still being refined and subject to amendment. Goals were finalized in January 2022 and data collection and dashboarding development continued through FY Q2 and Q3. As such, certain controls, policies, and procedures remain under development. The design and structure of this process has not previously been tested.

Impact Analysis: Without a defined process to independently verify the completeness and accuracy of source data, incomplete data could potentially produce inaccurate conclusions, misrepresent goal progress, prohibit attainment of the Authority's objectives, and decrease accountability. In cases where inaccurate data is presented to the Board of Directors, invalid conclusions can become part of the public record and may mis-inform critical business decisions.

“There is no established process to validate or review the completeness and accuracy of the data used to measure the progress of goal metrics.”